

# News from Ed Markey

United States Congress

Massachusetts Seventh District

FOR IMMEDIATE RELEASE

October 26, 2005

CONTACT: Morgan Gray  
David Moulton  
(202) 225-2836

## REP. MARKEY FIGHTS REPUBLICAN BACK DOOR ATTEMPT TO OPEN UP THE ARCTIC REFUGE TO DRILLING

*Markey proposal would preserve the Arctic, offer a sensible alternative to raise the required \$2.4 billion in revenue by 2010*

**WASHINGTON, D.C.** – Today, the House Resources Committee will use a backdoor Budget Reconciliation markup to circumvent the normal legislative process and take up a controversial provision to permit drilling in the Arctic National Wildlife Refuge and the Outer Continental Shelf. Representative Edward J. Markey (D-MA) a senior Democrat on the House Resources Committee offered an amendment that would protect the Arctic National Wildlife Refuge by striking the proposed drilling language, and instead raise revenue over the next five years by fractionally increasing the fees that oil companies pay to drill on the public's land.

“Now more than ever, the money is gushing into the pockets of the oil and gas industry. The five largest oil companies have recorded profits of over \$46 billion during just the first six months of this year!” said **Rep. Markey** of the oil industry's recent historic profit margins. Just yesterday, BP announced third quarter profits of \$6.53 billion, up 34 percent from the third quarter of 2004.”

Right now, these companies pay a fraction of the value of the oil and gas they produce on federal land as a royalty to the federal government. The Markey Amendment would strike subtitle A, which opens the Arctic National Wildlife Refuge to drilling and instead raise revenue by increasing the fees that oil companies pay to drill on public lands by a tiny fraction. Rep. Markey's proposal would direct the Secretary of Interior to increase those fees to yield \$2.4 billion in revenue over the next five years.

Rep. Markey spoke clearly about the choice before the House Committee on Resources:

“So the choice comes down to this – do we raise \$2.4 billion by prying open and forever destroying a national wildlife refuge, overturning forty years of established environmental policy, threatening the way of life of the Gwich'in peoples, and allowing the oil and gas industry to select any of our other 544 national wildlife refuges as their next target, or do we give the Secretary the discretion to raise by a tiny fraction the royalty rate paid by the wealthiest corporations in the world for producing oil on the public's land? This is simply a question of whether we would rather protect public land or big oil companies,” **Markey concluded.**

The revenue generated from federal onshore and offshore oil and gas leases is one of the federal government's largest sources of non-tax income. The Department of Interior's Minerals Management Service estimated in February of this year that in 2006, royalties, rental fees and bonus bids for oil and gas leasing onshore and offshore on federal land will total over \$9.7 billion. For 2006 through 2010, the Minerals Management Service projects that these same leases will generate over \$48.3 billion in revenue for the federal government. Many House Republicans have attempted pressuring the Republican leadership to keep the Arctic Refuge drilling provision out of the budget. Twenty-four House Republicans sent a letter to Speaker Dennis Hastert (R-IL) in August discouraging the use of the budget process to ram through this controversial legislative proposal.

For more information on Rep. Markey's amendment to protect the Arctic National Wildlife Refuge and the Outer Continental shelf check out: [www.house.gov/markey](http://www.house.gov/markey) or the attached fact check.